

**VOTE 66
PLANNING COMMISSION**

484. STATUS OF OUTSTANDING MATTERS FROM PREVIOUS AUDIT REPORTS

Financial Year 2001/2002

Description		Amount/Issue queried	Current Status
Para 504.3	Variance in cashbook balance (Miscellaneous Deposit Account)	Variance of Shs.65,994,070	Not yet reconciled
Para 510	Transfer of funds for Census	Shs.16,420,503,491	The audit has been completed and a report is being finalized

Financial Year 2002/03

Description		Amount/Issue queried Shs.	Current Status Shs
Para 465.1	Unclaimed D-funds	57,899,172	Not yet attended
Para 465.2	Unaccounted for claim of D-funds	168,845,171	- do -
Para 465.3	Omission of D-funds	22,936,388	- do -
Para 466.2	Questionable inclusion of TIC account	453,747,553	- do -
Para 467.1	Analysis of Deposits	76,614,837	Not submitted

485. AUDIT QUERIES

As a result of test examination of the accounts and supporting records for the year 2003/04, thirty three (33) audit queries were raised of which none has been replied.

486. OUT-TURN

486.1 Supply Vote

The Supply Vote closed with a saving of Shs.1,273,106 with the Paymaster General's Account, arising from net expenditure of Shs.7,781,138,695 against net approved estimates of Shs.7,782,411,801.

In addition, exchequer issues received equaled to the approved estimates Shs.7,782,411,801 leaving a cash balance of shs.1,273,106 with the PMG's account.

486.2 Development Vote

The Development Vote closed with an apparent saving of Shs.9,529,706,997 arising from net expenditure of Shs.7,170,374,703 against approved estimates of Shs.16,700,081,700. However, actual exchequer issues received amounted to Shs.7,170,374,703 only, resulting in a NIL balance with the PMG's Account.

487. UNACCOUNTED FOR DIRECT TO PROJECT FUNDS SHS.5,748,333,515

A sum of Shs.5,748,333,515 was incorporated in the statement of exchequer issues received during the year, under 'D' Funds. However, details of action plans and progress reports of the funded projects were not submitted to us for verification. In the absence of proper documentation, it was not possible to confirm the legitimacy and propriety of expenditure arising therefrom.

488. STATEMENT OF REVENUE

The statement of revenue for the year ended 30th June, 2004 reflects actual receipts of Shs.3,412,971 against approved estimates of Shs.2,643,068; resulting in an over collection of Shs.769,903 or 29% above the estimates.

489. STATEMENT OF ASSETS AND LIABILITIES

489.1 Variances in the Deposit Accounts

The following deposit accounts balances shown in the statement were at variance with balances appearing in the Deposit Register, as under:

Description	Code	Amount per Statement (Shs)	Amount per Register (Shs)	Variance (Shs.)
Suspense General	693-1001	8,570,732.49	7,353,232.40	1,217,499.59
Unclaimed Salaries	693-1008	5,503,153.39	3,231,230.62	2,271,922.77
Tender Board	613-1027	<u>12,064,000</u>	<u>5,857,000</u>	<u>6,207,000</u>
Total		26,137,885.88	16,441,463.52	9,696,422.36

These variances affects the accuracy of the statement of assets and liabilities, and need to be reconciled.

490. STATEMENT OF FIXED ASSETS SHS.1,607,172,894.68

The reported value of Fixed Assets owned by President's Office, Planning and Privatization as at 30th June, 2004 was Shs.1,607,172,894.68. However, the correctness of the stated value could not be confirmed in the absence of an Assets control register that would give details for verification. In addition, a test check of procurement records against the statement of Fixed Assets revealed an omission of assets worth Shs.47,447,292.

491. OUTSTANDING IMPREST SHS.64,837,000

The footnotes to the Appropriation Accounts did not show existence of outstanding imprests as at 30th June, 2004. However, a test check of the accounts revealed outstanding imprests totalling Shs.64,837,000. Three (3) audit queries issued in this respect have not been replied.

492. UNVOUCHED AND IMPROPERLY VOUCHED EXPENDITURE SHS.656,391,461

A test check of the payment vouchers and their underlying records revealed unvouched and improperly vouched payments amounting to Shs.656,391,461 as detailed below:-

Account	No of Queries	Unvouched Expenditure (Shs)	Improperly Vouched Expenditure (Shs)
Recurrent Account	4	--	55,726,031.64
Development Account	2	578,919,730.45	6,000,000.00
Deposit Account	3	3,212,000.00	12,533,698.00
Total		582,131,730.45 =====	74,259,729.64 =====

Nine (9) audit queries raised are still outstanding.

493. FUNDS NOT ACCOUNTED FOR SHS.3,830,881,217

During the financial year 2003/2004 the President's Office, Planning and Privatization disbursed total of Shs.3,830,881,217 to various Organizations/Institutions related to the office as subventions to those Institutions. However, acknowledgement receipts and details of expenditure, including audited accounts were not submitted for accountability of the funds issued. One (1) audit query raised on this due matter has not been replied.

494. FUEL NOT TAKEN ON LEDGER CHARGE SHS.16,660,000

A test check of stores records noted that fuel and lubricants bought for Shs.16,660,000 were not taken on ledger charge. In the circumstances, I could not confirm whether the goods paid for were correctly received and used for intended purposes.

495. TRANSFER OF FUNDS NOT ACCOUNTED FOR SHS.615,531,000

A total sum of Shs.615,531,000 was transferred from recurrent and development accounts to meet various costs of a project known as Business Environment Strengthening for Tanzania (BEST). Nevertheless, I could not satisfy myself whether the funds were received and used for the purposes intended because neither acknowledgement receipts nor details of expenditure arising therefrom were made available for audit verification. My audit query issued on this matter has not been replied.

496. UNRECEIPTED WARRANT OF FUNDS SHS.256,510,189

During the year under review, warrants of fund totalling Shs.256,510,189 were issued to the National Bureau of Statistics (NBS) for implementation of various development projects. Nevertheless, confirmation of receipt of funds and accountability particulars thereof were lacking since acknowledgment receipts and expenditure details were not submitted for verification.

**497. QUESTIONABLE AND IRREGULAR PAYMENTS
SHS.187,052,705**

**497.1 Unreceipted Payment of Allowances and Utilities
Shs.114,167,180**

Scrutiny of payment records revealed instances of unreceipted allowances adding to Shs.9,373,300. In the absence of completed paylists or ERVs to substantiate refund of the balances I could not confirm whether the amount in question was received by bonafide payees. Likewise, payments of electricity and telephone bills worth Shs.104,793,880 were not receipted. Five audit queries relating to these matters are still outstanding.

**497.2 Transfer of Funds to Institute of Rural Development Planning –
Dodoma Shs.37,041,534**

An amount of Shs.37,041,534 was transferred to the Institute of Rural Development Planning (IRDP) in Dodoma, towards purchase of building materials for the ongoing construction of student's hostel.

However, the propriety and legitimacy of this transfer could not be ascertained in audit because the works for construction of the hostel had already been contracted to M/s Nandhra Engineering and Construction Co. Ltd, whose payments are settled directly by the President's Office, Planning and Privatization. One audit query seeking explanation of this transfer and accountability details is yet to be replied.

**497.3 Unreceipted remittances of statutory deductions
Shs.34,643,990**

A test check of payments made during the month June, 2004 revealed that remittances of statutory deductions totalling Shs.34,643,991 made to various Institutions were not acknowledged. In the circumstances, I could not confirm whether the remitted funds were credited to the correct accounts.

498. AUDIT CERTIFICATE

In my opinion, subject to clearance of matters raised in the preceding paragraphs, the Supply Vote, Miscellaneous Deposit and Revenue accounts fairly present the financial position of Vote 66 as at 30th June 2004.

However, due to the limitations of audit scope expressed in the foregoing paragraphs, I do not express an opinion on the Development Vote account as at 30th June 2004.